



General Assembly

February Session, 2020

**Raised Bill No. 86**

LCO No. 765



Referred to Committee on AGING

Introduced by:  
(AGE)

***AN ACT ESTABLISHING A REVOLVING LOAN FUND TO ASSIST ELDERLY HOMEOWNERS.***

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. (*Effective October 1, 2020*) (a) For purposes of this section,  
2 "elderly homeowner" means any owner of real property liable for  
3 property taxes under chapter 203 of the general statutes who (1) is sixty-  
4 five years of age or older on the date of application for a loan under this  
5 section, (2) has resided in the municipality levying such property taxes  
6 for a period of not less than ten years before the date of such application,  
7 and (3) has qualifying income in the tax year immediately preceding the  
8 date of application for a loan under this section that does not exceed the  
9 income limits set forth in section 12-170aa of the general statutes, as  
10 adjusted annually.

11 (b) There is established a revolving loan fund to be known as the  
12 "Elderly Homeowner Property Tax Revolving Loan Fund" which shall  
13 be a separate nonlapsing account within the General Fund. The fund  
14 shall contain any moneys required by law to be deposited in the fund,  
15 including, but not limited to, payments of principal and interest on loans

16 made from the fund. The fund shall be administered by the Secretary of  
17 the Office of Policy and Management and shall be used to (1) make loans  
18 at the prevailing rate of interest pursuant to subsection (c) of this section,  
19 and (2) to pay reasonable and necessary expenses incurred by the  
20 secretary in administering loans under this section. Investment earnings  
21 credited to the fund shall become part of the assets of the fund. Any  
22 balance remaining in the fund at the end of any fiscal year shall be  
23 carried forward in the fund for the fiscal year next succeeding. Payments  
24 of principal or interest on a loan made pursuant to this section shall be  
25 paid to the State Treasurer for deposit in the fund.

26 (c) (1) Notwithstanding section 12-172 of the general statutes, the  
27 state, acting through and in the discretion of the Secretary of the Office  
28 of Policy and Management and within available appropriations, may  
29 provide loans to elderly homeowners who apply, on a form prescribed  
30 by the secretary, provided (A) the elderly homeowner has failed to pay  
31 taxes levied against the elderly homeowner's property under chapter  
32 203 of the general statutes for not less than the two assessment years  
33 preceding the date of application for a loan under this section, (B) the  
34 real property subject to tax is not otherwise encumbered, and (C) the  
35 principal amount of such loan does not exceed the amount of taxes  
36 levied against the real property. The secretary may impose asset limits  
37 as a condition of eligibility for loans provided pursuant to this section.

38 (2) If the state provides a loan under this section, the Secretary of the  
39 Office of Policy and Management shall have a lien on the real property  
40 subject to taxes in the amount of such loan, plus interest at the prevailing  
41 rate of interest. Such lien shall have priority over all other liens on such  
42 real property except a municipal property tax lien.

43 (3) Any financial assistance provided under this section shall not  
44 disqualify the elderly homeowner from receiving benefits for which  
45 such elderly homeowner is eligible under the provisions of section 12-  
46 129b, 12-129c, 12-129n or 12-170aa of the general statutes.

47 (d) The Secretary of the Office of Policy and Management may adopt

48 regulations, in accordance with the provisions of chapter 54 of the  
49 general statutes, to specify application procedures and priorities for  
50 providing low-cost loans pursuant to this section.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>October 1, 2020</i>	New section

**Statement of Purpose:**

To provide assistance to elderly homeowners who have fallen behind on real estate tax payments.

*[Proposed deletions are enclosed in brackets. Proposed additions are indicated by underline, except that when the entire text of a bill or resolution or a section of a bill or resolution is new, it is not underlined.]*